

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**JOHN J. WOODS, ET AL.,**

**Defendants,**

**CIVIL ACTION NO.  
1:21-CV-3413-SDG**

**RECEIVER’S FIRST REPORT**

A. Cotten Wright as Receiver (the “Receiver”) for assets of Defendant Horizon Private Equity, III, LLC (the “Horizon Assets”) and the ownership interests that Defendant John J. Woods (“Woods”) has in the following assets: (i) Livingston Group Asset Management Company d/b/a Southport Capital (“Southport Capital”) and its holding company, Livingston Southport Investors, LLC (the “Southport Capital Interests”), (ii) Lakewood Ranch Risk Management LLC d/b/a Southport Capital Risk Management (the “Southport Capital Risk Management Interests”), and (iii) Chattanooga Professional Baseball, LLC (the “Chattanooga Baseball Interests,” and together with the Southport Capital Interests and the Southport Capital Risk

Management Interests, the “Woods Assets”), files this *Receiver’s First Report* (this “Report”) pursuant to this Court’s *Order Appointing Receiver* (the “Receivership Order”) entered on September 1, 2021 (Doc. No. 26).<sup>1</sup> The Horizon Assets and the Woods Assets are referenced together herein as the “Receivership Assets” or the “Receivership Estate.” This report focuses on the Receiver’s activities for the quarter ending on September 30, 2021 (the “Reporting Period”) in conformance with paragraphs 54 and 55 of the Receivership Order.

Also on September 1, 2021, the Court entered its *Order Imposing Preliminary Injunction, Order Freezing Assets and for an Accounting, Order Prohibiting Destruction of Documents, Order Expediting Discovery, and Order Requiring Repatriation of Assets* (the “PI Order”) (Doc. No. 25).

## I. SUMMARY OF RECEIVER’S ACTIVITIES

### A. Summary of Operations.

By the date of the Receivership Order, Horizon had permanently ceased operations but for operating two rental properties, discussed further below. As for

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<sup>1</sup> On September 10, 2021, the Court entered its Order Amending Order Appointing Receiver to Correct Typographical Errors correcting errors in the name of Livingston Group Asset Management Company d/b/a Southport Capital and the Receiver’s name, A. Cotten Wright. (Doc. No. 53).

the Woods Assets, the Receiver has no authority to manage the operations of those pursuant to Receivership Order.

(1) Receivership Operations. Early in the case, the Court entered Orders on the Receiver's applications to employ the law firms of Ragsdale Beals Seigler Patterson & Gray, LLP and Grier Wright Martinez, PA to represent her in this case. The Receiver also engaged the accounting firm of Middleswarth, Bowers & Co., L.L.P. as her accountants.

The Receiver set up a dedicated phone line for the calls that come in daily from investors at 704-332-0216. In addition, the Receiver created an email address for the receivership (the "Receivership") at [horizonreceivership@grierlaw.com](mailto:horizonreceivership@grierlaw.com) to enable investors to communicate with the Receiver about this case.

With Court authority, the Receiver entered into an Agreement with Stretto, Inc. to provide certain software services, including a website for the Receivership. That website is located at [horizonreceivership.com](http://horizonreceivership.com). Horizon investors are able to change their contact information through the website as well as to obtain access to all pleadings in this case, and other information including a section for Frequently Asked Questions. Stretto also handles the distribution of notices of motions and other pleadings to investors by email and regular mail. Eventually, claimants will be able to submit claims through the website.

(2) Rental Property Operations. Horizon is the owner of two real property assets (the “Real Properties”) both of which are leased to Southport Capital. One of those is an office condominium in Atlanta, Georgia (the “Atlanta Office”) located at 3621 Vinings Slope SE, Suite 4450, Atlanta, Georgia, 30339, and the other consists of a building located at 112 Mill Street, Greenville, KY, 42345 (the “Greenville Office”). During the Reporting Period, the Receiver collected rent for September and October, 2021 on both of the Real Properties. In turn, the Receiver paid the October loan payment due to the lienholder and the condominium association fees due for September and October on the Atlanta Office.<sup>2</sup> In addition, the Receiver arranged for the locks to be changed at the Atlanta Office and reimbursed Southport Capital for that expense.<sup>3</sup> Finally, the Receiver applied for property insurance to cover any loss to the Atlanta Office and the Greenville Office, which application was pending at the close of the Reporting Period.

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<sup>2</sup> The lien on the Atlanta Office is held by IBERIABANK. Pursuant to the authority provided in the PI Order, IBERIABANK deducted the September payment from Horizon’s bank account before turning the funds in that account over to the Receiver.

<sup>3</sup> The Receiver is informed and believes that the Greenville Office is accessed via a key code and that Woods does not have the code.

As set out below, the majority of the Receiver's time and that of her professionals has been devoted to researching and gathering information about the Receivership Assets.

**B. Cash on Hand.**

On September 9, 2021, the Receiver established an account for the Receivership Estate at Metropolitan Commercial Bank, N.A. (the "Receivership Account"), which account is insured to the maximum extent permitted by the F.D.I.C. The funds in the Receivership Account at the close of the Reporting Period totaled \$14,976,848.12 and were not encumbered by liens.

As of the close of the Reporting Period, there were no accrued administrative expenses that had been approved by the Court.

**C. Receipts and Disbursements**

A report as to Receivership Account's receipts and disbursements through September 30, 2021 is attached as **Exhibit A.**

**D. Description of Known Receivership Property.**

Attached as **Exhibit B** is chart listing all Receivership Assets along with Woods's estimates of their value and any information about liens that the Receiver has obtained thus far. The Receiver and her team devoted substantial time during the Reporting Period to gathering and confirming information as to the Horizon

Assets, and those efforts are continuing. The information on Ex. B will be updated as the Receiver learns more and this case progresses.

The Receiver's initial source for information about the Horizon Assets was a chart prepared by Woods relative to those assets and his estimate of their value. In certain instances, those values were based on the estimated net completion values of the projects in which Horizon funds were invested. Therefore, Ex. B shows Woods's estimated value of Horizon's partial interests (only) in various projects along with the information as to the total liens encumbering the entire projects that the Receiver has obtained from financial institutions.

As for the Woods Assets, those interests present special challenges as discussed below.

#### Horizon Assets

(1) Bank Funds. During the Reporting Period, the Receiver obtained turnover of funds held in accounts owned by Horizon at TD Ameritrade and IberiaBank as set out in Ex. A. The Receiver has not identified any additional funds on deposit in the name of Horizon at a financial institution.

(2) Real Property. There are two parcels of real property owned by the Receivership Estate that are located in Atlanta, Georgia and Greenville, Kentucky, respectively.

(a) Atlanta Office. As noted above, the Receivership Estate owns an office condominium in Atlanta that is leased to Southport Capital for \$6,000.00 per month. At this juncture, unless Southport Capital expresses an intention to vacate this property beforehand, the Receiver anticipates that disposition of the Atlanta Office will be tied to the liquidation of the Southport Capital Interests. In the meantime, the Receiver will continue to collect rent, pay the condominium association fees, and make the monthly mortgage payments.

(b) Greenville Office. The Receivership Estate owns a building in Greenville, KY that is leased to Southport Capital for \$1,500.00 per month. As with the Atlanta Office, the Receiver plans to continue collecting rent on this property until the Southport Capital Interests are liquidated or Southport Capital determines to vacate the property. Meanwhile, the Receiver will continue to collect the monthly rent. It appears that the Greenville Office is not subject to a mortgage. During the Reporting Period, the Receiver was contacted by a potential purchaser inquiring as to the plans for this property.

(3) Investments in Limited Liability Companies, Limited Partnerships, and Private Equity Funds. Horizon funds were invested in a

number of limited liability companies that, in turn, hold interests in projects in varying stages of development. In addition, Horizon funds were invested in certain limited partnerships and private equity funds. The information below reflects a summary of the information on Ex. B as to the assets listed below.

(a) Athletafied / RecruitU. The Receivership Estate owns a 25% investment interest in a sports data collection company that tests the skills of high school athletes.

(b) Battlefield Parkway Partners, LLC. The Receivership Estate owns a 50% interest in this entity that owns a strip center located at 2705 Battlefield Pkwy, Fort Oglethorpe, GA. This development project is subject to a lien held by First Volunteer Bank.

(c) BI Developments LLC. The Receivership Estate owns a 50% interest in an entity formed to redevelop a former JC Penny store in Chattanooga, TN. This development project is subject to a lien held by First Volunteer Bank.

(d) BI Developments II, LLC. The Receivership Estate owns a 40% interest in an entity formed to redevelop a former Sears store in



Chattanooga, TN. This development project is subject to a lien held by First Volunteer Bank.

(e) BI Developments III, LLC. The Receivership Estate owns a 70% interest in an entity formed to develop a parking area adjacent to a former Logan's Restaurant in Chattanooga, TN. This development project is subject to a lien held by First Volunteer Bank.

(f) Birchwood II, LLC. The Receivership Estate owns a 30% interest in an operating landfill in Hamilton County, TN. This project is subject to a lien held by Pinnacle Bank.

(g) BW Hunting Club, LLC. The Receivership Estate owns a 50% interest in entity that owns property adjacent to landfill owned by Birchwood II, LLC, in Hamilton County, TN.

(h) Croft and Bender Fund. The Receivership Estate holds an interest in a Nashville, TN private equity fund.

(i) Dynamo Fund I, L.P. The Receivership Estate holds an investment in a Nashville, TN based private equity fund.

(j) Dynamo-Skupos, LLC. The Receivership Estate holds an interest in a San Francisco based start-up company, which is a special purchase vehicle of Dynamo Fund, I, LP.

(k) Dynamo- Stord SPV III. The Receivership Estate holds an interest in a software driven warehousing and fulfillment company, which is a special purchase vehicle of Dynamo Fund, I, L.P.

(l) East Brainard Partners LLC. The Receivership Estate owns a 50% interest in an entity that owns property located in Chattanooga, TN that is leased to Starbucks. This project is subject to lien held by Southeast Bank.

(m) EBES Partners LLC. The Receivership Estate owns a 50% interest in an entity formed to develop property that has been rezoned for an apartment complex. This development project is subject to a lien held by First Volunteer Bank.

(n) Hardwood Sports LLC. The Receivership Estate owns a 50% interest in an Atlanta based entity co-owned by an NFL agent. This entity holds a 25% interest in RecruitU, d/b/a Athletafied, a sports data collection firm.

(o) Highway 153 Partners LLC. The Receivership Estate owns a 50% interest in an entity formed to develop property in Hixson, TN. This development project is subject to a lien held by Southeast Bank.

(p) MVP Studios, LLC. The Receivership Estate owns a 50% interest in an entity formed to find film locations in Atlanta, GA.

(q) Prepstar LLC. The Receivership Estate holds an interest in an entity that owns a Los Angeles based football magazine.

(r) ProNvest, Inc. The Receivership Estate owns an interest in an entity that specializes in retirement planning and investment management.

(s) Relevance Capital, III, LP. The Receivership Estate owns an interest in a Tennessee based private equity fund.

(t) The Shoppes of Valley Brook LLC. The Receivership Estate owns a 50% interest in an entity that owns four parcels in Hixson, TN, two of which are leased to third parties. This project is subject to liens held by First Volunteer Bank.

(u) WW Partners LLC. The Receivership Estate owns a 50% interest in an entity that owns restaurant property in Hixson, TN that is currently leased to a third party. This project is subject to a lien held by Pinnacle Bank.

Woods' Assets

(1) Southport Capital Interests. The Receivership Order provides that Woods' 66% majority interest in Southport Capital is included as a Receivership Asset. Before the Receivership Order was entered, Clay Parker had assumed the position of chief executive officer of Southport Capital. However, on September 3, 2021, Mr. Parker resigned that position, effective immediately. Accordingly, the Receiver's team spent much of the rest of the month working with Southport Capital's attorneys to identify a potential new independent board member and negotiating with an investment banker to assist in running a sale process for Southport Capital. Despite those efforts, neither task had been completed by the close of the Reporting Period, although considerable progress had been made.

(2) Southport Capital Risk Management Interests. The Receivership Estate owns 79% of Southport Capital Risk Management, which presented additional challenges to the Receiver during the Reporting Period. After threatening to bring a collection action relative to certain non-payment defaults, counsel for IBERIABANK agreed to give the Receiver 30 days to assess the issues related to the bank's position. In addition, the Receiver learned that a note holder, by virtue of a stock sale to Southport Capital Risk

Management, was attempting to declare a non-payment default and accelerate the amount due under that note. The Receiver was in the process of gathering information as any claims against Southport Capital Risk Management and the value to the Receivership Estate of the interest in that entity at the close of the Reporting Period.

(3) Chattanooga Baseball Interests. On September 30, 2021, the Receiver filed her *Motion for Authority to Honor Notice of Redemption of Interests in Chattanooga Professional Baseball, LLC* (the “Baseball Motion”) relative to Woods’s 20.12% interest in Chattanooga Professional Baseball, LLC (“CPB”). (Doc. No. 71). The Baseball Motion was negotiated in conformance with the provisions in the CPB Operating Agreement. If approved by the Court, redemption of Woods’s interest in CPB will bring \$1,875,684.00 into the Receivership Estate.

**E. Description of Claims Held by the Receivership Estate.**

At this early stage of the case, the Receiver has obtained some information as to potential claims against third parties but has not determined which claims would be appropriate to pursue. The Receiver is unaware at this point whether there were any net winner investors in Horizon. The Receiver’s review and consideration of potential claims will be ongoing.

**F. List of Known Creditors.**

(1) Investors. The Receiver has obtained an investor list that was prepared by Provident Trust and filed in this case by the S.E.C. in connection with its *Plaintiff's Motion for a Temporary Restraining Order and Other Emergency Relief* filed on August 20, 2021. (Doc. No. 2). Thus far, the Receiver has not identified any Horizon investors whose names do not appear on that list.

The Receiver is reluctant to re-file the investor information that was provided by the S.E.C. earlier in this case. The Receiver's accountants are charged with preparing a comprehensive report on investors contributions to Horizon and their withdrawals. Once that information is complete, the Receiver contemplates requesting authority to file that list under seal to protect investor privacy.

(2) Secured Creditors. As noted above, IBERIABANK holds a lien secured by Atlanta Office property. Payments on that loan, \$6,216.13 per month, are current.

(3) Vendors. The Receiver incurred one small expense for changing locks that was paid during the Reporting Period.

(4) Other Creditors. Certain loan payments due from entities in which Horizon holds interests were authorized in the PI Order. *See* PI Order at 5-6. IBERIABANK deducted the amount that was approved for the loan due to it. *Id.* at

5. However, after the IBERIABANK funds had been turned over to the Receivership Estate, the Receiver learned that the request to make five other Court approved payments to other banks had not been conveyed to IBERIABANK before the Receiver closed the account. Therefore, in accordance with the PI Order, the Receiver wrote checks to First Volunteer Bank and Pinnacle Bank for the previously approved payments. *Id.* at 5-6.

**G. Status of Claims Proceedings.**

The Receiver contemplates proposing a claims allowance process, claims deadline, and distribution procedures for Court approval at the appropriate time. Distributions will be made with Court authority.

**H. Receiver's Recommendations.**

The Receiver is unable to predict when this Case might be ready to close given that the case was only 30 days old at the end of the Reporting Period. The Receiver intends to deal with the complex issues regarding asset identification and liquidation on the one hand, and investor claims and distributions on the other, in as expeditious a manner as possible under the circumstances presented.

Respectfully submitted, this 15th day of October, 2021.

/s/ A. Cotten Wright

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Exhibits:

- A. Receipts and Disbursements
- B. List of Assets



**EXHIBIT A**

**RECEIPTS AND DISBURSEMENTS REPORT**

## Form 2

## Cash Receipts And Disbursements Record

Page: 1

Case No.: 21-03413

Trustee Name:

A. Cotten Wright (530670)

Case Name: RECEIVER'S ACCOUNT, ESTATE OF  
HORIZON PRIVATE EQUITY, III, LLC

Bank Name:

Metropolitan Commercial Bank

Account #:

\*\*\*\*\*8298 Checking

Taxpayer ID #: \*\*-\*\*\*6934

Blanket Bond (per case limit):

N/A

For Period Ending: 09/30/2021

Separate Bond (if applicable):

\$0.00

1	2	3	4		5	6	7
Trans. Date	Check or Ref. #	Paid To / Received From	Description of Transaction	Uniform Tran. Code	Deposit \$	Disbursement \$	Account Balance
09/09/21	{1}	TD AMERITRADE	WIRE FROM HORIZON PRIVATE EQUITY	1129-000	14,699,092.52		14,699,092.52
09/10/21	{14}	IberiaBank	Turnover of cash in bank account	1129-000	322,990.15		15,022,082.67
09/15/21	101	PINNACLE BANK	WW Partners LLC - Court-authorized payment, -2159 Stopped on 09/29/2021	2420-005		4,353.38	15,017,729.29
09/15/21	102	FIRST VOLUNTEER BANK	BI Developments II, LLC - Court-authorized payment for -0041	2420-000		8,000.00	15,009,729.29
09/15/21	103	FIRST VOLUNTEER BANK	The Shoppes of Valley Brook LLC - Court-authorized payment, -4881	2420-000		4,027.00	15,005,702.29
09/15/21	104	FIRST VOLUNTEER BANK	EBES Partners LLC - Court-authorized payment, -9740 Voided on 09/15/2021	2420-004		30,087.00	14,975,615.29
09/15/21	104	FIRST VOLUNTEER BANK	EBES Partners LLC - Court-authorized payment, -9740 Voided: check issued on 09/15/2021	2420-004		-30,087.00	15,005,702.29
09/15/21	105	FIRST VOLUNTEER BANK	BI Developments LLC - Court-authorized payment, -8363	2420-000		5,000.00	15,000,702.29
09/15/21	106	FIRST VOLUNTEER BANK	EBES Partners LLC - Court-authorized payment, -9740	2420-000		30,078.00	14,970,624.29
09/24/21	107	IBERIABANK	Loan payment for Acct #6990 - Vinings GA Office Condo	4110-000		! 6,216.13	14,964,408.16
09/24/21	108	VININGS MAIN OFFICE CONDO	Condo Fee for Acct # -5704	2420-000		! 1,069.02	14,963,339.14
09/24/21	109	SOUTHPORT CAPITAL	Reimbursement for Locksmith expense	2420-000		! 457.00	14,962,882.14
09/29/21		SOUTHPORT CAPITAL	Rent for September & October - Greenville & Vinings Offices		15,000.00		14,977,882.14
	{21}		Sept & Oct rent - Vinings \$12,000.00	1110-000			
	{20}		Sept & Oct KY rent \$3,000.00	1110-000			
09/29/21	101	PINNACLE BANK	WW Partners LLC - Court-authorized payment, -2159 Stopped: check issued on 09/15/2021	2420-005		-4,353.38	14,982,235.52
09/29/21	110	PINNACLE BANK	WW Partners LLC - Court-authorized payment, -2159	2420-000		4,353.38	14,977,882.14
09/29/21	111	VININGS MAIN OFFICE CONDO	3621 Vinings Slope SE, Ste 4450, Acct #365704 - October Association Fee	2420-000		! 1,034.02	14,976,848.12

## COLUMN TOTALS

15,037,082.67

60,234.55

\$14,976,848.12

Less: Bank Transfers/CDs

0.00

0.00

## Subtotal

15,037,082.67

60,234.55

Less: Payments to Debtors

0.00

## NET Receipts / Disbursements

\$15,037,082.67

\$60,234.55

**Form 2**

Page: 2

**Cash Receipts And Disbursements Record**

**Case No.:** 21-03413  
**Case Name:** RECEIVER'S ACCOUNT, ESTATE OF  
 HORIZON PRIVATE EQUITY, III, LLC  
**Taxpayer ID #:** \*\*-\*\*\*6934  
**For Period Ending:** 09/30/2021

**Trustee Name:** A. Cotten Wright (530670)  
**Bank Name:** Metropolitan Commercial Bank  
**Account #:** \*\*\*\*\*8298 Checking  
**Blanket Bond (per case limit):** N/A  
**Separate Bond (if applicable):** \$0.00

Net Receipts:	\$15,037,082.67
Plus Gross Adjustments:	\$0.00
Less Payments to Debtor:	\$0.00
Less Other Noncompensable Items:	\$0.00
Net Estate:	\$15,037,082.67

<b>TOTAL - ALL ACCOUNTS</b>	<b>NET DEPOSITS</b>	<b>NET DISBURSEMENTS</b>	<b>ACCOUNT BALANCES</b>
*****8298 Checking	\$15,037,082.67	\$60,234.55	\$14,976,848.12
	<b>\$15,037,082.67</b>	<b>\$60,234.55</b>	<b>\$14,976,848.12</b>

**EXHIBIT B**  
**ASSET REPORT**

**ASSET REPORT - HORIZON PRIVATE EQUITY, III, LLC RECEIVERSHIP**  
**U.S. DISTRICT COURT, NORTHERN DISTRICT OF GEORGIA**  
**CASE NO. 1:21-CV-3413**  
**As of September 30, 2021**

Asset	Description	Value (Per J.Woods)	Liens (Per Lender)	Funds Collected by Receiver
112 Mill Street, Greenville, KY 42335	Office building in Greenville, KY. Leased to Southport Capital for \$1500 per month. Not subject to a lien. Value shown here was provided by John Woods.	\$150,000.00	\$0.00	\$3,000.00
3621 Vinings Slope SE, Suite 4450, Atlanta, GA 30339	Office condominium in, Atlanta, GA. Leased to Southport Capital at \$6,000/month. Subject to lien held by IberiaBank loan #-6990. Also subject to monthly condo association fees. Value shown was provided by John Woods.	\$550,000.00	\$867,887.55	\$12,000.00
Athletafied - 25% interest in RecruitU d/b/a Athletafied	Sports data-collection company that tests skills of high school athletes. Value shown here was provided by John Woods.	\$100,000.00	\$0.00	\$0.00
Battlefield Parkway Partners LLC - 50% interest	Strip center property located at 2705 Battlefield Pkwy, Fort Oglethorpe, GA. Financed by First Volunteer Bank, loan #-8564. Lien amount is payoff quote as of 8/30/2021 and reflects lien on the entire project, not just Horizon's interest. Horizon equity interest to be paid after bank and before other distributions. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$1,412,033.92	\$5,150,882.93	\$0.00
BI Developments II LLC - 40% interest	40% interest in development of a former Sears store in Chattanooga at Northgate Mall. Financed by First Volunteer Bank, loan #-9242. Lien amount is payoff as of 8/27/2021 and reflects lien on the entire project, not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$2,000,000.00	\$2,984,143.96	\$0.00
BI Developments III LLC - 70% interest	70% interest in development in Chattanooga, TN at Northgate Mall; parking lot of former Logan's Restaurant. Financed by First Volunteer Bank, loan #-1483. Lien amount is payoff as of 9/8/2021 and reflects lien on the entire project, not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$500,000.00	\$377,041.66	\$0.00
BI Developments LLC - 50% interest	50% interest in development in of a former JC Penny store in Chattanooga, TN at Northgate Mall. Financed by First Volunteer Bank, loan #-1093. Lien amount is payoff as of 8/27/2021 and reflects lien on the entire project, not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$1,500,000.00	\$1,656,416.66	\$0.00
Birchwood II, LLC - 30% interest	Interest in operating landfill on 25 acres at 9327 Birchwood Pike, Hamilton, TN. Subject to liens held by Pinnacle Bank. Lien value shown as of 9/30/2021; plus i/o/a of \$1,099,712. Lien amount shown reflects lien on the entire project and not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$2,000,000.00	\$1,657,845.00	\$0.00

<b>BW Hunting Club, LLC - 50% interest</b>	50% interest in entity that owns property adjacent to property owned by Birchwood II, LLC, a Hamilton County landfill. This land was purchased in 2017 for \$356,000, and the timber has been harvested. The plan for the property is to request that it be rezoned and used to increase the size of the adjacent landfill. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$1,500,000.00	\$0.00	\$0.00
<b>Cash in TD Ameritrade Account</b>	Turnover of cash in TD Ameritrade account held in Horizon's name. Original value was provided by John Woods.	\$14,698,943.83	\$0.00	\$14,699,092.52
<b>Chattanooga Professional Baseball, LLC - 20.12% interest</b>	Minority interest (20.12%) in entity that owns Chattanooga Lookouts baseball team. Financed by FirstBank. Valued by John Woods at \$2 million. Value shown here reflects the amount of John Woods's capital account as set out in the motion for authority to honor redemption of this interest free and clear of FirstBank's lien that was filed on September 30, 2021 (DE 71).	\$2,000,000.00	\$0.00	\$0.00
<b>Croft &amp; Bender Fund Investment</b>	Investment in Nashville, TN based private equity fund. A post-receivership capital call was not met, and the investment commitment has not been fully paid. Value shown here was provided by John Woods.	\$163,055.00	\$0.00	\$0.00
<b>Dynamo Fund I, L.P.</b>	Investment in Nashville, TN based private equity fund. Value shown here was provided by John Woods.	\$1,538,018.00	\$0.00	\$0.00
<b>Dynamo-Skupos, LLC investment</b>	3.7944918% investment interest in San Francisco-based start-up company, a SPV of Dynamo Fund I, LP. Initial investment was \$60,000. Value shown was provided by John Woods.	\$100,000.00	\$0.00	\$0.00
<b>Dynamo-Stord investment</b>	Investment in a SPV of the Dynamo Fund, a "software driven warehousing and fulfillment company." Value was provided by John Woods.	\$75,000.00	\$0.00	\$0.00
<b>East Brainerd Partners LLC - 50% interest</b>	Interest in strip center located at 8021 East Brainerd Road, Chattanooga, TN leased to Starbucks. Subject to lien held by Southeast Bank, loan #-2832; original balance was \$3.7 million. Lien amount shown reflects the lien on the entire project, not just Horizon's interest. Horizon interest to be paid first after bank, before other distributions. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$2,491,949.83	\$3,700,000.00	\$0.00
<b>EBES Partners LLC - 50% interest</b>	Interest in property that was rezoned for apartment complex; development work has not started. Financed by First Volunteer Bank loan #-0283. Lien amount is payoff as of 8/27/2021 and reflects lien on the entire project, not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$3,000,000.00	\$2,715,878.88	\$0.00
<b>Hardwood Sports LLC - 50% interest</b>	Interest in Atlanta based LLC co-owned by NFL agent. Entity has a 25% interest in RecruitU, d/b/a Athletafied, a sports data collection firm. Value shown here was provided by John Woods.	\$500,000.00	\$0.00	\$0.00
<b>Highway 153 Partners LLC - 50% interest</b>	50% interest in entity that owns property at 5513 Highway 153, Hixson, TN. Subject to lien of Southeast bank, loan #-8763 in original amount of \$1,365,000. Lien amount shown reflects lien on the entire project, not just Horizon's interest. Horizon to receive its equity interest after bank and before other distributions are made. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$2,472,132.90	\$1,365,000.00	\$0.00

<b>IberiaBank Account</b>	Cash in account at IberiaBank; turned over to receivership on 9/10/21.	\$350,000.00	\$0.00	\$322,990.15
<b>Lakewood Ranch Risk Management LLC - 60%</b>	John Woods' 79% membership interest in Florida-based insurance company. Value shown here was provided by John Woods.	\$1,500,000.00	\$0.00	\$0.00
<b>Livingston Group Asset Management Co. d/b/a Southport Capital - 66% interest</b>	John Woods' 66% membership Interest in Southport Capital. Value shown here was provided by John Woods.	\$34,000,000.00	\$0.00	\$0.00
<b>MVP Studios - 50% interest</b>	Interest in Atlanta film studio. Value shown here was provided by John Woods.	\$163,000.00	\$0.00	\$0.00
<b>Prepstar LLC</b>	Investment in Los Angeles based football magazine. Value shown was provided by John Woods.	\$500,000.00	\$0.00	\$0.00
<b>ProNvest / SigniX LLC</b>	ProNvest is a 401k company and SigniX is a Docusign competition; companies have merged. Received an offer of \$100,000 for Horizon's shares on 9/13/21. Value shown was provided by John Woods.	\$300,000.00	\$0.00	\$0.00
<b>Relevance Capital III, LP investment</b>	3.676% interest in limited partnership; initial investment was \$450,000. Value shown here was provided by John Woods.	\$921,016.00	\$0.00	\$0.00
<b>The Shoppes of Valley Brook LLC - 50% interest</b>	Interest in Chattanooga development consisting of four parcels in Hixson, TN: 5933 Hixson Pike (leased to a Jack's Hamburgers); 5925 Hixson Pike (leased to a car wash); 5919 Hixson Pike; and 5943 Hixson Pike. Financed by First Volunteer Bank, loan #-0186 & #-4334. Lien amount is total of two loans payout amounts as of 8/27/21 and reflects lien on the entire project, not just Horizon's interest. Horizon equity to be paid after bank and before other distributions. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$1,500,000.00	\$1,089,245.85	\$0.00
<b>WW Partners LLC - 50% interest</b>	Interest in site entity that owns property at 5595 Highway 153, Hixson, TN, site of former Ruby Tuesday's. Leased to Applebee's per a 25-year ground lease. Subject to a \$1,350,000 lien held by Pinnacle Bank. Lien amount reflects lien on the entire project and not just Horizon's interest. Value shown here is for Horizon's interest (only) as provided by John Woods.	\$627,770.98	\$1,350,000.00	\$0.00

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**JOHN J. WOODS, ET AL.,**

**Defendants,**

**CIVIL ACTION NO.  
1:21-CV-3413-SDG**

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that copies of the foregoing *Receiver's First Report* were served on those parties who have requested electronic service in this case through the Court's electronic noticing system. Notice will also be provided to victim-investors by way of email or by United States first class mail in the event that email addresses are not available. In addition, this *Receiver's First Report* will be available at horizonreceivership.com.

This is the 15<sup>th</sup> day of October, 2021.

/s/ A. Cotten Wright

A. Cotten Wright (NC Bar 28162)  
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